

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

SECOND REGULAR SESSION-1996

Legislative Document

No. 1703

S.P. 651

In Senate, January 11, 1996

**An Act to Confirm That Nonprofit Health Care Providers May Achieve
Cost Savings on Professional and General Liability Coverage.**

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.
Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script that reads "May M. Ross".

MAY M. ROSS
Secretary of the Senate

Presented by President BUTLAND of Cumberland.
Cosponsored by Representative: GWADOSKY of Fairfield.

Be it enacted by the People of the State of Maine as follows:

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4 **Sec. 1. 24-A MRSA §6099, sub-§3,** as enacted by PL 1993, c.
313, §39, is amended to read:

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8 **3. Prohibition on retention of risk.** A purchasing group
must purchase insurance providing for a deductible or
self-insured retention applicable to the group as a whole. That
coverage also may provide for a deductible or self-insured
10 retention applicable to individual members. A purchasing group
may pool its members' funds for the purpose of meeting the
obligations to provide a deductible or self-insured retention
applicable to the group as a whole and its individual members.
Such a pooling arrangement is not considered insurance for the
purposes of this Title.

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STATEMENT OF FACT

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22 This bill clarifies that purchasing groups may pool
deductible or retention amounts applicable to the group as a
whole and its individual members, without the pooling arrangement
being considered "insurance" for the purposes of the Maine
24 Revised Statutes, Title 24-A.